



TYNAGH ENERGY
L I M I T E D

Aidan Hogan
Gaslink
Gasworks Road
Cork

13th October 2014

Ref: TEL/TOD/14/ 200

RE: Response to Business Rules Document for Code Modification A063

Dear Aidan

Tynagh Energy Limited (TEL) welcomes the opportunity to respond to the Business Rules document accompanying Code Modification A063, '*Nominations, Imbalance Charges & Allocations: EU Network Code Implementation*'.

The proposed Imbalance Charge methodology (as outlined in 1.3.7) will unfairly treat gas-fired generators whose dispatch (and subsequent gas usage) is based on instructions from EirGrid. As EirGrid has scope to alter dispatch schedules after the Renomination Period and before the end of the Gas Day, any imbalances which may occur as a result of these events, is outside a generator's control. While the current Code offers some mitigation through tolerance levels and first tier imbalance prices, the fact that any charge arises where a generator is merely following instructions, should in effect be borne by the electricity market and not the generator; the same should apply for capacity Overrun Charges. Generators are supporting Ireland's energy policy by providing much-needed flexibility in order to facilitate renewable generation (such as wind) on the system, and should not be penalised for offering this service. This issue warrants further discussion as part of ongoing Gas-Electricity interactions and should not be considered in isolation.

Furthermore, TEL would like clarification on 4.3.2 b), whereby Nominations or Renominations may be rejected if submitted by a party who is not a Shipper. Does this pertain to a Shipper that may outsource certain activities (i.e. nominations, capacity bookings) to a non-Shipper? Conflict of interests may arise (particularly in relation to capacity bookings and sales) if Shippers are limited to outsourcing their activities to other Shippers only.

TEL looks forward to your feedback and remains committed to its ongoing participation in the Gas Code Modification forum.

Yours sincerely

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